

June 28, 2013

To: Executive Board

Subject: **Contract Award – 12 Electric Buses**

Recommendation

Authorize the Executive Director to enter into Agreement No. 12-006 with Proterra LLC in the amount of Ten Million Eight Hundred Fifty Three Thousand Eight Hundred Eighty Dollars (\$10,853,880) for the procurement of 12 battery powered electric buses pending negotiation of final terms and conditions. Sales tax will be paid by Foothill Transit separate and apart from the Proterra agreement.

Analysis

On April 24, 2009, the Foothill Transit Executive Board authorized the Executive Director to enter into a contract with Proterra LLC for the procurement of three (3) battery powered electric buses and wayside fast charging equipment and authorize the Executive Director to negotiate final terms and conditions and execute a contract with Proterra LLC.

The Ecoliner electric buses were launched into revenue service in September 2010. After an initial shakedown of the buses and some upgrades the three Ecoliners have successfully transported thousands of customers more than 100,000 miles. The Ecoliner electric buses are very popular with customers and have attracted international industry and media attention.

In 2010, Foothill Transit was awarded a Transit Investment in Greenhouse Gas and Energy Reduction (TIGGER II) grant in the amount of \$10.17 million dollars for the purchase of nine additional electric buses and charging station enhancements. This federal grant has a local matching requirement of at least ten percent.

Since the first three electric buses were procured, there has been a reduction in the unit cost for a bus as a result of the manufacturer modifying and streamlining its production processes. As such, the TIGGER II funding can support the purchase of more than nine buses. Members of the Foothill Transit administrative team have been in discussions with representatives of the Federal Transit Administration (FTA) to determine whether the funds could be used to purchase more than the nine buses originally requested, and on June 7, 2013 we received FTA clearance to purchase up to 12 buses with the grant funds awarded.

The charging station enhancements that were originally envisioned in the grant application (spare charge heads, etc.) have been determined to no longer be necessary as Foothill Transit has a maintenance agreement in place with Proterra to ensure uptime of the charging station. Other enhancements to support the full electrification of

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Line 291, while not eligible for funding through the TIGGER II grant, are presented for the Executive Board's consideration in a separate item on the June 28, 2013 meeting agenda.

The current service demands of Line 291, where the first three electric buses are in operation, mandate a peak demand of nine buses plus spares for use in the event of a breakdown and to facilitate regular preventive maintenance. These electric buses will replace 40-foot compressed natural gas (CNG) buses that have reached or exceeded their useful life 12 years or 500,000 miles.

At the April 26, 2013 Executive Board Meeting, a Sole Source justification for the procurement of nine electric buses and an option for 18 additional buses was presented to the Executive Board. In order to ensure the best and most effective use of public funds already invested it is imperative that the electric buses procured be able to utilize Foothill Transit's existing fast charge infrastructure located at the Pomona Transit Center (PTC) in Pomona, CA. This infrastructure was designed and constructed as part of the 2009 project to deploy the first three buses into service and supports full electrification of Line 291.

Under Foothill Transit's Procurement Policies and Procedures, sole-source procurement is justified because the evidence supports a finding that the buses are available only from a single source since the manufacturer of the bus *offers a unique or innovative concept or capability that is not available from another source.*


After careful consideration of the supporting documentation presented at the Board Meeting, the Executive Board approved the sole source procurement.

A number of Foothill Transit local lines serve the Pomona Transit Center and have operating profiles that make them good candidates for Ecoliner service. Among these are Lines 197, 855, and 292. The 12 electric buses to be procured will be placed into revenue service on Line 291 and other local service that can utilize the existing fast-charging infrastructure in place at the Pomona Transit Center.

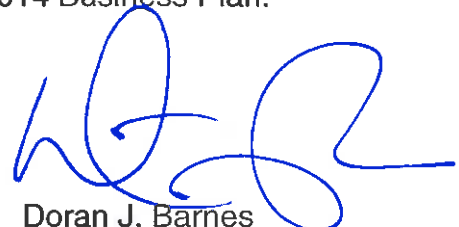
Budget Impact

Funding for this project is included in Foothill Transit's FY 2014 Business Plan.

Sincerely,



Roland M. Cordero
Director of Maintenance and Vehicle Technology



Doran J. Barnes
Executive Director